

RECORDATION NO. 29780 FILED

MAY 18 '11 -3 00 PM

SURFACE TRANSPORTATION BOARD

ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N W
SUITE 301
WASHINGTON, D C
20036

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

(202) 393-2266
FAX (202) 393-2156
E-MAIL alvordlaw@aol.com

May 18, 2011

Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W
Washington, D C 20423

Dear Section Chief,

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease, dated as of May 10, 2011, a primary document as defined in the Board's Rules for the Recordation of Documents

The names and addresses of the parties to the enclosed document are.

Lessor: Macquarie Rail Inc
233 South Wacker Drive, Suite 5300
Chicago, IL 60606

Lessee: South Kansas and Oklahoma Railroad, Inc.
315 W 3rd Street
Pittsburg, KS 66762

Section Chief
May 18 2011
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A description of the railroad equipment covered by the enclosed document is:

22 hopper railcars within the series MQRX 3808 - MQRX 3873 as more particularly set forth in the document.

A short summary of the document to appear in the index is:

Memorandum of Lease.

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/sem
Enclosures

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LEASE
BETWEEN
MACQUARIE RAIL INC.
("LESSOR")

AND

SOUTH KANSAS AND OKLAHOMA RAILROAD, INC.
("LESSEE")

May 10, 2011

THIS MEMORANDUM OF LEASE is dated as of May 10, 2011 by and between MACQUARIE RAIL, INC., a Delaware corporation, ("Lessor") and South Kansas and Oklahoma Railroad, Inc., a Kansas corporation ("Lessee").

1. Lessor has agreed to furnish to Lessee, and Lessee has agreed to lease from Lessor 22 1979 Ortner built 3850 CF Five Pocket Rapid Discharge Hopper; 263,000lb. GRL capacity (each, a "Car") bearing marks and numbers as follows:

MQRX 3808, 3810, 3811, 3813, 3814, 3815, 3817, 3819, 3820, 3822, 3825, 3826, 3827, 3834, 3845, 3846, 3849, 3850, 3852, 3853, 3856, 3873

2. The Lease will be effective as of the date of this Memorandum and will be subject to the lease term, as described in the Lease.
3. The Lease provides, among other things that to further secure the obligations of Lessee to Lessor, Lessee grants to Lessor a first priority security interest in Lessee's rights and interest in, to and under any agreement affecting any Car, including any maintenance agreement, any agreement relating to use of reporting marks, and any sublease, and the proceeds from any of the foregoing.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed by their respective officers as of the date and year first above written.

Lessor: MACQUARIE RAIL INC.

I, David Edwards (name of signor), certify that I am President of Macquarie Rail Inc., that the instrument was signed on behalf of the corporation by authority of its managers and/or members (as appropriate, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the company. I further declare (certify, verify or state) under penalty of perjury ("under the laws of the United States of America" if executed outside the United States of America) that the foregoing is true and correct. Executed on the date indicated below.

By: [Signature]
Title: David M. Edwards - President
Date: 5/10/11

I, MARK BRECHT (name of signor), certify that I am SVP - Operations of Macquarie Rail Inc., that the instrument was signed on behalf of the corporation by authority of its managers and/or members (as appropriate, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the company. I further declare (certify, verify or state) under penalty of perjury ("under the laws of the United States of America" if executed outside the United States of America) that the foregoing is true and correct. Executed on the date indicated below.

By: [Signature]
Title: SVP Operations

Date: May 10, 2011

Lessee: South Kansas and Oklahoma Railroad, Inc. (SKOR)

I, Todd E. Pugh (name of signor), certify that I am General Director (title of office) of South Kansas and Oklahoma Railroad, Inc., that the instrument was signed on behalf of the company by authority of its managers and/or members, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the limited liability company. I further declare (certify, verify or state) under penalty of perjury ("under the laws of the United States of America" if executed outside the United States of America) that the foregoing is true and correct. Executed on date indicated below.

By:

Todd E. Pugh

Title:

General Director, South Kansas and Oklahoma Railroad, Inc.

Date:

May 10, 2011

STATE OF ILLINOIS

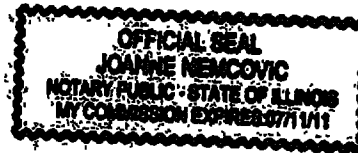
COUNTY OF COOK

On this 16th day of May, 2011, before me personally appeared Dave Edwards and Mark Bryant, to me personally known, who being by me duly sworn, says that they are the President and Secretary of Macquarie Rail Inc. that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

Joanne Nemcovic
NOTARY PUBLIC

My commission expires: 7/11/11

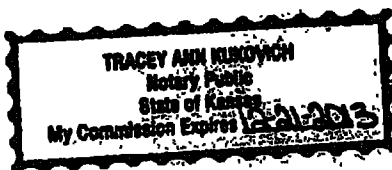
STATE OF Kansas
COUNTY OF Crawford



On this 10th day of May, 2011, before me personally appeared Todd E. Polonsky, to me personally known, who being by me duly sworn, says that he is the Conductor of South Kansas and Oklahoma Railroad, Inc. that the foregoing instrument was signed on behalf of said company, and he acknowledged that the execution of the said instrument was his free act and deed.

Tracey Ann Kinnovich
NOTARY PUBLIC

My commission expires 12-21-2013



CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 5/18/11



Robert W. Alvord